



**Commonwealth of Massachusetts**  
**Executive Office of Health and Human Services**  
**Office of Medicaid**  
600 Washington Street  
Boston, MA 02111  
[www.mass.gov/masshealth](http://www.mass.gov/masshealth)



Eligibility Operations Memo 08-06  
May 1, 2008

TO: MassHealth Eligibility Operations Staff

FROM: Russ Kulp, Director, MassHealth Operations

RE: **MassHealth and the Federal Economic Stimulus Tax Rebates**

---

### **Introduction**

Under the Economic Stimulus Act of 2008, the United States Treasury will begin sending economic stimulus tax rebates to more than 130 million eligible households, starting in May 2008. The Centers for Medicare & Medicaid Services (CMS) has issued guidelines when determining eligibility for benefits under any federal program or any state or local program financed in whole or in part with federal funds. This includes MassHealth, the Children's Medical Security Plan (CMSP), Healthy Start, Commonwealth Care, and the Health Safety Net.

---

### **Income**

The economic stimulus rebate is considered noncountable income.

---

### **Assets**

The economic stimulus rebate is considered a noncountable asset for a limited time only. It is considered noncountable in the month of receipt and the following two calendar months (the exemption period).

#### **Transfers of resources for less than fair-market value**

If the rebate is given away during the three-month exemption period, it will not be subject to a transfer penalty. However, if it is given away after the three-month exemption period, the rebate will be subject to a penalty.

#### **Estate recovery**

If the rebate becomes part of a person's estate during the three-month exemption period, it will not be subject to recovery. However, if it becomes part of the person's estate after the three-month exemption period, the rebate will be subject to recovery.

---

### **Questions**

If you have any questions about this memo, please have your MEC designee contact the Policy Hotline.

---